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Report Asks ^{all caps} ^{Proposed} New Way To Fix U. S. Salaries

~~Wage Board Type Is Proposed~~
~~Based on Industrial Pay Level~~

~~By SEYMOUR YOUNG~~

A new system of fixing the salaries of the Government's classified and postal workers ~~has been~~ ^{recently} advocated by a special subcabinet committee in a report released today by the White House.

The committee proposed that classified and postal salaries be set on a wage-board type of system, whereby the pay would be determined by the general levels of industry salaries on a national basis.

The White House released the report without comment. White House officials said the President has taken no stand on the proposals, but it was pointed out that Mr. Eisenhower, several weeks ago, asked Congress to set up a 15-member commission to study the entire Federal pay structure.

Mr. Eisenhower's criticism of the current methods of fixing Federal salaries is similar to the sub-cabinet committee's indictment of the present systems as "unrealistic" and not geared to the demands of the times.

The sub-cabinet steering committee was headed by Undersecretary of Labor James O'Connell. ~~It made its study late last year, but the White House did not issue its findings until today, although it has been known for months what the committee's general conclusions were.~~

The O'Connell group would establish a Civilian Compensation Agency, which would adjust the pay of classified and postal workers. Under this proposal, Congress no longer would set the pay for these employees.

50-City Survey

The O'Connell group proposed:

1. That a new general schedule be established for classified and postal workers based on a 50-city survey of rates paid for work comparable to that found in grades 1 to 15.

This system would be somewhat similar to the wage-board system for Government per diem (blue collar) workers. The major difference is that per diem workers' pay is based on comparable industry pay on a local level, while the O'Connell group's proposal for classified and postal workers would base these salaries on a national average based on 50 cities throughout the country.

2. The proposed Civilian Compensation Agency would adjust industry salary rates annually (although not necessarily si-

multaneously) and would adjust Federal rates to conform thereto.

Simultaneous Adjustment

3. Adjustments in the pay of all jobs would be made at one time. Such action would contribute positively to employee morale, the committee said.

4. The salaries would be based on the identification of "benchmark" jobs at the top, middle and bottom of the pay schedules. These "benchmark" jobs would be key positions, around which the pay of other positions keyed in with these jobs would be determined.

5. The proposed new agency would also co-ordinate the pay of the Government's blue collar workers. The committee did not propose that the local area wage board system be changed, but it did propose better Government-wide co-ordination of wage board salaries and elimination of duplication in wage board surveys.

The committee said that in general classified employee salaries in the lower grades were equal to that of industry. But Federal pay in the middle and upper grades lags considerably behind the salaries for comparable jobs in industry, the report said.

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